



Neil Gibb Systems Manager for 1-day.co.nz says Accredo's smart integration tools have helped streamline the company's dispatch processes.

With Accredo's help Torpedo7 grows from one day to the next

When we last profiled Torpedo7, the New Zealand company was on a rapid growth path. With Accredo software providing the horsepower behind its online bicycle retail operation, the start-up had quickly become the leading 'clicks and mortar' business in the country – repeatedly appearing in the top ten Deloitte Fastest 50 growing kiwi businesses.

Checking back today, the company has another online success on its hands. Three years ago Torpedo7 decided to adapt, what by then had become a sophisticated and mature online retail model, so it could start selling a wider range of consumer products. The decision gave birth to 1-day.co.nz – an online, 24-hour deal site that offers three products per day for sale and is now moving thousands of items daily.

Now, as then, the man responsible for making the e-commerce model crank into action is Torpedo7 Systems Manager, Neil Gibb. He says his task was made a lot easier thanks to the ground work the company had done perfecting order processing with the Torpedo7 bike site.

"We got the 1-day website up and running in double quick time, because, effectively, we already had an online business model to copy."

With Torpedo7 Gibb made use of Accredo's smart integration tools to automate online ordering and shipping.

"We used Accredo scripting and EDI tools to suck orders created by website shoppers into the warehouse and order fulfillment system. Accredo cleverly automated some basic, but very important procedures."

Gibb says the same process has been adapted to cope with the volume of orders 1-day receives. Whereas in the early days of Torpedo7 the company was handling 20 orders a day, with 1-day almost from the outset there were hundreds of orders a day and it quickly grew to the point where it is now handling in excess of 5000 orders a day – and up to 10,000 on a good day.

When a sale is made all of the orders for the particular products are imported electronically into Accredo using scripting and EDI tools.

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"That part is the same as Torpedo7," Gibb says. "But to cope with the exponential increase in orders we have developed some very streamlined processes for the bulk handling of orders."

In contrast to Torpedo7 which has a many hundreds of products available for sale all the time, the 1-day site only offers three products, for a 24 hour period. This vastly reduces the amount of effort that needs to take place in the warehouse to pick and pack products.

"Accredo is rock solid and has the breadth of functionality to manage both our business and financial processes."

Neil Gibb, Systems Manager,
1-day.co.nz

"We simply bring all three products we are selling that day up to the dispatch area. And instead of printing out a packing slip 5000 times, which in itself is very time consuming, we process all the items for each product as one batch and simply attach address labels to each item," says Gibb.

The 1-day label printer prints individual customer addresses directly onto a reel of postal labels; those are then stuck on the appropriate boxes.

Says Gibb: "Because we know everyone is getting the same item, rather than matching the item to the order, we can bulk match orders to our products."

As well as partnering with Courier Post in New Zealand, Gibb says a similar arrangement exists with Australia Post's eParcel delivery system. "Our Australian customers log into a .com.au version of our site, but all the products are shipped from New Zealand."

All the processing is electronically integrated with Accredo software and Gibb estimates the system now holds around 200,000 customer files, each with full contact and purchase history.

The launch of the new business has required Torpedo7 to grow rapidly, and Gibb says the use of Accredo has scaled up accordingly.

"When we started we had five Accredo users on the Accredo Mercury version of the product. We now have 85 users and have upgraded to Accredo's multi-location version of the product, Accredo Saturn."

Outside the corporate sector Torpedo7 is now one of the bigger medium-to-large businesses in the country, says Gibb. "We use Accredo in most areas of our business, including warehousing, management and customer service. Our buyers and our web team also use it.

"A lot of software systems are not designed to manage this type of growth, but the performance of Accredo hasn't compromised our business, despite the steep increase in users."

The Accredo licencing model has also worked in Torpedo7's favour, helping it reduce the costs involved in establishing the business.

Gibb explains: "1-day is running on the same software licence that we use for Torpedo7 because it allows for multiple entities to be owned and run by the same company for no extra cost.

"This is a major plus for us. Whereas many other software companies would make you pay again for each entity, Accredo allows us to run the new business within the same company group."

Accredo is also helping reduce the effort 1-day staff expend chasing up goods for delivery. Gibb is integrating Accredo with a third party supply chain logistics solution to smooth this process.

"When we draw up a purchase order we include as much information around expected shipment and arrival dates as possible. The purchase order is then electronically sent to the relevant vendors and shipping companies, and is also pushed up to a dedicated supply chain website."

Gibb says this allows all parties to log on and see exactly how the order fulfillment is progressing. "If there is a hold-up somewhere along the delivery process the vendor or shipping agent logs onto the website and inputs the new dates, so everyone has visibility."

The online retail space has heated up considerably with the recent arrival of the so-called group buying sites such as GrabOne and Treat Me. But Gibb sees 1-day continuing on a strong growth curve.

"Our model is different to the voucher-based sites. We purchase all our products outright and simply offer them to the public at very attractive price points. Demand is continuing to increase."

Torpedo7 has already started sister sites to 1-day, including 1-daycellar which retails wine at rock bottom prices, and 1-daytee, where the public can get deals on t-shirts. Gibb says Accredo easily handles the heavy transactional load and has the scalability and performance to cope with further growth.